

DAILY MARKETS OVERVIEW

21 OCTOBER 2018

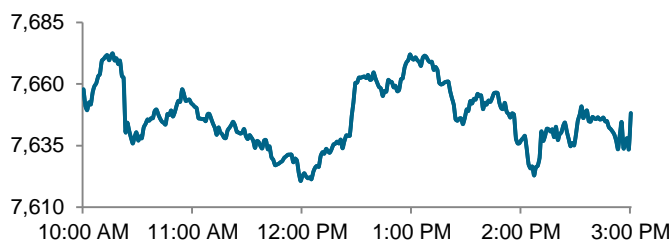
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,648	-0.1	1.6	5.8	16.1
Saudi (NOMU)	2,386	2.9	-1.8	-24.0	7.8
Energy	4,712	-0.8	-3.3	10.1	16.0
Materials	5,422	-0.4	2.0	7.3	17.3
Capital Goods	3,774	2.5	5.4	-13.1	15.9
Com. & Prof. Svc	3,926	-1.7	-5.1	-6.7	17.0
Transportation	3,498	-0.4	-3.6	-12.8	20.9
Cons. Durables & Apparel	3,379	-0.3	-3.7	-18.4	NA
Consumer Services	3,018	1.6	0.3	-18.1	16.9
Media	10,377	-1.1	-7.7	34.1	NA
Retailing	5,966	-0.2	-4.3	5.9	22.5
Food & Staples Retailing	5,382	0.3	-2.2	-4.1	22.1
Food & Beverages	3,814	-1.3	1.6	-22.1	24.8
Health Care Equipment	3,405	-1.3	-7.7	-23.4	16.1
Pharma, Biotech & Life Science	3,832	-0.2	-5.5	-3.5	24.7
Banks	6,922	0.0	3.8	25.8	12.6
Diversified Financials	3,242	-0.8	-5.1	-19.5	NA
Insurance	3,614	-0.4	-2.4	-23.5	29.4
Telecommunication	4,912	1.7	1.0	15.5	16.2
Utilities	3,485	0.0	0.9	-23.6	NA
REITs	3,571	-0.1	-0.8	-22.9	NA
Real Estate	3,259	-0.2	-3.6	-30.6	19.5

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Saudi Ceramic Co.	20.56	10.0%	15.0
Saudi Industrial Export Co.	92.10	9.9%	40.6
National Gypsum Co.	11.98	5.6%	2.8
Arab National Bank	32.75	5.5%	17.6
Al Alamiya for Cooperative Insurance Co.	33.25	3.9%	14.9

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
Rabigh Refining and Petrochemical Co.	22-Oct-18
Jarir Marketing Co.	28-Oct-18
Middle East Paper Co.	29-Oct-18
National Agricultural Marketing Co.	30-Oct-18
Methanol Chemicals Co.	1-Nov-18
Tabuk Cement Co.	1-Nov-18

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of October 21, 2018
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.1% lower at 7,648 while NOMU ended 2.9% higher at 2,386 on Thursday. TASI traded value totaled SAR 3.0bn and averaged SAR 3.5bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 45.2% of the daily traded value.
- Banks ended flat while Materials closed 0.4% lower, respectively. Telecom closed 1.7% higher. Capital Goods was the best sector performer (up 2.5%). Among stocks, Saudi Ceramic Co. (2040/SCERCO AB), Saudi Industrial Export Co. (4140/SIECO AB), and National Gypsum Co. (2090/NGCO AB) led the gainers.
- Moody's affirmed KSA's A1 rating with a stable outlook and raised its GDP growth forecasts for 2018 and 2019 to 2.5% and 2.7% respectively, instead of its previous expectations of 1.3% and 1.5% for the same period reported in April this year. (Source: Argaam)
- The Saudi Ministry of Housing signed agreements with two real-estate development companies to add more than 11,000 homes in Jeddah for the Sakani program. The first project, Rawabi Hijaz will include 9,502 units, while the second, Jeddah airport housing will include 2,203 units. (Source: Argaam)
- Saudi Aramco signed a memorandum of understanding (MoU) to acquire a stake in the Zhejiang Petrochemical refinery in eastern China. The agreement includes plans to invest in a new refinery and cooperate in crude oil supply, storage and trading. (Source: Argaam)
- Saudi Steel Pipe Co.'s (1320/SSP AB) 35% owned affiliate has been awarded a SAR 60mn (USD 16mn) contract to supply 30 inches OCTG pipes to Saudi Aramco Company. The production is slated to start in 2Q19 and will reflect positively on 2H19 results. (Source: Argaam)
- Alkhaleej Training and Education Co. (4290/ALKHLEJ AB) was awarded a SAR 23.1mn (USD 6.2mn) contract to provide the General Authority of Zakat & Tax (GAZT) with the Unified Communications (UC) services. (Source: Argaam)
- The Fast Consortium, led by Spanish builder FCC (FCC SM), stated it has been tasked with building a 1.5-km-long extension and adding two more new stations to Line 4 of the Riyadh Metro Project. (Source: Trade Arabia)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
National Commercial Bank	43.20	-2.9%	80.2
Saudi Cable Co.	30.40	-2.9%	8.6
Bank Albilad	23.10	-2.7%	6.6
The Mediterranean & Gulf Insurance & Reinsurance Co.	14.12	-2.6%	4.3
Al-Baha Investment & Development Co.	15.22	-2.3%	3.8

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Al Rajhi Bank	86.00	-0.5%	434
Alinma Bank	20.70	0.0%	359
Saudi Basic Industries Corp.	124.80	-0.8%	343
Saudi Kayan Petrochemical Co.	15.50	-2.0%	116
Saudi Arabia Fertilizers Co.	84.50	-0.1%	100

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,758	0.6	0.1	-18.2	7.4
Abu Dhabi (ADX)	4,989	0.6	0.4	13.4	13.2
Kuwait (KSE)	5,141	0.1	-0.4	0.3	15.9
Qatar (QE)	10,193	0.3	3.4	19.6	15.9
Oman (MSM)	4,444	-0.2	-1.0	-12.8	10.2
Bahrain (BSE)	1,323	0.8	0.6	-0.6	8.9
DJMENA Index	553	0.3	1.4	5.0	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,768	0.0	0.0	3.5	20.1
US (NASDAQ 100)	7,449	-0.5	-0.6	7.9	23.4
UK (FTSE 100)	7,050	0.3	0.8	-8.3	15.7
Germany (DAX)	11,554	-0.3	0.3	-10.6	13.7
France (CAC 40)	5,085	-0.6	-0.2	-4.3	16.3
Russia (MICEX)	2,345	-1.4	-2.4	11.1	6.5
Japan (Nikkei)	22,532	-0.6	-0.7	-1.0	16.1
Hong Kong (HSI)	25,561	0.4	-0.9	-14.6	9.7
South Korea (KOSPI)	2,156	0.4	-0.3	-12.6	10.3
China (SHCOMP)	2,551	2.6	-2.2	-22.9	12.1
India (NIFTY)	10,304	-1.4	-1.6	-2.2	21.6
Brazil (IBOV)	84,220	0.4	1.6	10.2	NA
Turkey (BIST 100)	96,455	-1.0	-0.2	-16.4	7.5
Egypt (EGX30)	13,644	0.0	2.7	-9.1	12.8
MSCI Emerging Markets	971	0.1	-0.9	-16.1	11.7
MSCI World	2,062	-0.1	-0.1	-2.0	17.6

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	79.8	0.6	-0.8	19.3	39.4
Natural Gas (\$/mmbtu)	3.3	1.6	2.8	15.8	5.8
Gold (\$/oz)	1,226	0.1	0.7	-6.1	-4.9
Silver (\$/oz)	14.6	0.3	0.1	-14.3	-15.3
Platinum (\$/oz)	831	0.4	-0.9	-10.7	-10.1
Copper (\$/t)	6,228	1.1	-1.4	-13.6	-10.2
Zinc (\$/t)	2,677	-2.0	0.0	-19.8	-15.6
Lead (\$/mt)	1,975	-0.9	-3.0	-20.8	-20.7
Wheat (\$/bu)	515	0.3	-0.5	10.5	0.5
Corn (\$/bu)	367	-1.0	-1.8	-4.4	-7.0
Sugar (\$/lb)	13.9	0.1	6.3	-8.7	-8.9

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.48	0.01	0.78	0.00
Saudi Arabia	2.74	0.00	0.84	0.26
UAE	2.65	0.02	0.86	0.18
Kuwait	2.06	0.06	0.19	-0.41
Qatar	2.81	0.01	0.16	0.33
Bahrain	3.70	-0.05	0.98	1.22

Source: Reuters

NOTES: (1) Prices updated as of October 21, 2018 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended mixed on Friday. S&P 500 ended flat while NASDAQ declined 0.5%. Dow Jones Industrial closed 0.3% higher. In Europe, UK gained 0.3% while Germany and France closed 0.3% and 0.6% lower, respectively.
- Asian markets ended mixed on Friday. China closed 2.6% higher. Japan declined 0.6% while South Korea ended 0.4% higher. Hong Kong gained 0.4%, while India closed 1.4% lower.
- GCC markets ended mixed on Thursday. Both Dubai and Abu Dhabi closed 0.6% higher. Kuwait and Qatar ended 0.1% and 0.3% higher, respectively. Oman declined 0.2% while Bahrain increased 0.8%.
- US jobless claims for the week ended October 13 stood at 210K (prior: 215K; consensus: 215K). (Source: Econoday)
- The total foreign currency assets held by the Central Bank of the UAE stood at AED 329bn (USD 89.6bn) against AED 326bn (USD 88.7bn) in early 2018, as current account balances and deposits with foreign banks strengthened. (Source: Trade Arabia)
- UAE's Federal Authority for Identity and Citizenship (ICA) will begin implementing various decisions on the extension of visas to nationals and granting of entry permits to visitors from October 21, 2018. (Source: Trade Arabia)
- The value of letters of guarantee issued by UAE banks to their customers amounted to AED 12.2bn (USD 3.3bn) during the first eight months of the year, bringing the total value of these letters to AED 96.8bn (USD 26.4bn). (Source: Trade Arabia)
- Dubai Electricity and Water Authority (Dewa) has awarded a contract to supply, extend and commission 19.5km of main water pipelines, at a total cost of AED 131mn (USD 35.6mn) to connect different areas of Dubai with the Hassyan plant. (Source: Trade Arabia)
- Dubai's Roads & Transport Authority (RTA), in coordination with Nakheel, awarded a contract for the construction of three bridges leading to Deira Islands. These bridges, which link with the existing bridge crossing the water canal, consist of six lanes in each direction and will be built at cost of AED 447mn (USD 122mn). (Source: Trade Arabia)
- Abu Dhabi National Oil Co (ADNOC) is looking to sell a stake in its multibillion-dollar pipeline infrastructure assets. (Source: Zawya)
- Deyaar Development and Millennium Hotels & Resorts have announced that the Millennium Atria Business Bay will open its doors to guests by the end of 2018. (Source: Arabian Business)

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended October 19 (prior: 6.5mn barrels) will be announced on October 24. (Source: Econoday)
- US New Home Sales for the month of September (prior: 629K) will be announced on October 24. (Source: Econoday)
- US jobless claims for the week ended October 20 (prior: 210K; consensus: 212K) will be announced on October 25. (Source: Econoday)



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